The DOT Organization

The U.S. Department of Transportation (DOT) is the Federal steward of the Nation's transportation system and speaks for transportation in the Federal government. It was created in 1967 to develop transportation policies and programs that contribute to providing fast, safe, efficient, and convenient transportation at the lowest cost essentials to meet national objectives of economic growth and stability, security of the United States, and the efficient use and conservation of resources. Its creation brought under one umbrella a myriad of transportation missions and programs, some of which date back to the 1700s.

DOT employs almost 100,000 civilian and military people located across the country and the world. It includes the following organizations:

Office of the Secretary (OST)

United States Coast Guard (USCG)

Federal Aviation Administration (FAA)

Federal Highway Administration (FHWA)

Federal Railroad Administration (FRA)

National Highway Traffic Safety Administration (NHTSA)

Federal Transit Administration (FTA)

Saint Lawrence Seaway Development Corporation (SLSDC)

Maritime Administration (MARAD)

Research & Special Programs Administration (RSPA)

Bureau of Transportation Statistics (BTS)

Surface Transportation Board (STB)

Transportation Administrative Service Center (TASC)

These organizations are working together as *One DOT* to create the best transportation system for America, one that is *international in reach*, *intermodal in form*, *intelligent in character and inclusive in nature*.

This Report

This Financial Management (FM) Status Report and Five-Year Plan highlights our major FM initiatives, future plans, and recent accomplishments. It shows how we are working to improve and reform FM in support of Government-wide FM goals and related legislation, and DOT's Strategic Plans and FM Visions.

The specific improvement activities we are implementing and the progress and commitment we have made to meet these goals and make financial management work better in DOT are described in the four sections of this report—Improving Financial Systems, Improving Financial Information, Streamlining and Modernizing Financial Services, and Maximizing Financial Resources.

DOT's progressive evolution of its aging financial system components to modern commercially available components is quickly taking shape. Progress continues on integrating a new program - "Delphi"--which is moving DOT away from the existing Departmental Accounting and Financial Information System (DAFIS) to an advanced financial systems environment that will

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meet our current and future needs. Our integration toward the Delphi program will provide us with permanent Y2K compliance. The *Improving Financial Systems* section of this report discusses our systems strategy, the Delphi program, Y2K fixes and many other systems improvements.

Improving Financial Information

DOT recognizes that the reliability of our financial statements must be enhanced and improved. Obtaining an unqualified audit opinion on all DOT financial statements continues to be a top priority to Improving Financial **Information** and we are working hard to see that it happens. Our information systems and processes to relay financial data and status information to our managers and executives continue to be upgraded and refined for easier and quicker access. We want to be sure we get the right financial information where it needs to be and when it needs to be there for decision making. This year DOT also continues our efforts toward full implementation of the Government Performance and Results Act with preparation of our annual Performance Plan containing performance measures designed to give the public information on the results of our programs.

Streamline and Modernize Financial Services

To *Streamline and Modernize Financial Services*, DOT is leveraging technology to achieve the best results and make the most of available resources. By automating and taking advantage of electronic transmission of data and information for both our

internal processes (i.e., employee travel, internet payments, salary payments, procurement), and our external processes (i.e., payments to grantees and vendors, etc.), we are making things easier and quicker for all of our customers *and* cutting administrative costs. As we move further into web-enabled technology, our improvements should be even more effective.

Investment in transportation infrastructure--a 72 percent average increase over the previous administration -- is at a sufficient level to begin narrowing the gap between resource needs and availability. To help fill this gap, DOT continues to take advantage of innovative financing techniques that were authorized by the **Intermodal Surface Transportation** Efficiency Act of 1991 (ISTEA) and the recent Transportation Equity Act of the 21st Century (TEA-21). The Maximizing Financial Resources section of this report describes some of the features of innovative financing. This section also showcases where DOT's money comes from and where it goes.